

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



March 4, 2016

Jimmie Cho, Senior Vice President
Gas Operations and System Integrity
Southern California Gas Company
555 West 5th Street, GT21C3
Los Angeles, CA 90013

GI-2015-09-SCG-69-02A

Subject: General Order (G.O.) 112¹ Operation and Maintenance Inspection of Southern California Gas Company's Cathodic Protection Facilities in the North Coast Distribution Area

Dear Mr. Cho:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a G.O. 112¹ Operation and Maintenance Inspection of Southern California Gas Company's (SCG) Cathodic Protection (CP) Facilities in the North Coast Distribution Area (Inspection Unit) on September 21-25, 2015. The inspection included a review of the Inspection Unit's cathodic protection records for calendar years 2013 and 2014 and random field inspections of pipeline facilities in the Santa Maria, San Luis Obispo, and Templeton districts. SED staff also reviewed the Inspection Unit's Operator Qualification records, which included field observation of randomly selected individuals performing covered tasks.

SED staff identified two probable violations of G.O. 112¹, Reference Title 49 Code of Federal Regulations (CFR), Part 192 and noted on the attached "Summary of Inspection Findings", which is enclosed with this letter.

Please provide a written response within 30 days of receipt of this letter indicating any updates or corrective actions taken by SCG. Pursuant to Commission Resolution ALJ-274, SED staff has the authority to issue citations for each violation discussed during the inspection. SED will notify SCG of the enforcement action it plans to take after it reviews SCG's inspection response.

If you have any questions, please contact Michelle Wei, at (213) 620-2780.

Sincerely,

A handwritten signature in blue ink that reads "Kenneth A. Bruno".

Kenneth Bruno
Program Manager
Gas Safety and Reliability Branch
Safety and Enforcement Division

CC: Michelle Wei, SED/GSRB
Jeff Koskie, Sempra
Kan Wai Tong, SED/GSRB

1. General Order 112-F was adopted by the Commission on June 25, 2015 via 15-06-044

Summary of Inspection Findings
2014 SCG North Coast Distribution Inspection
September 21-25, 2015

SED Identified Probable Violations

Title 49 CFR Part 192, Section 192.465(a) – External Corrosion Control: Monitoring

“Each pipeline that is under cathodic protection must be tested at least once each calendar year, but with intervals not exceeding 15 months... However, if tests at those intervals are impractical for separately protected short sections of mains or transmission lines, not in excess of 100 feet (30 meters), or separately protected service lines, these pipelines may be surveyed on a sampling basis. At least 10 percent of these protected structures, distributed over the entire system must be surveyed each calendar year, with a different 10 percent checked each subsequent year, so that the entire system is tested in each 10-year period.”

During the record review, SED observed that the Inspection Unit did not inspect two separately protected service lines in the Santa Maria district every 10 years as required by 192.465(a). See the following table for the details of the locations.

Measuring Point	Address	City	Date isolated or last inspected	Date inspected	Cycles missed
13236795	2254 Broadway	Santa Maria	5/12/2003	9/29/2015	1
13248740	1812 Thornburg	Orcutt	1/9/2003	9/25/2015	1

SED requested a field inspection of these two service lines. SCG tested the service lines for cathodic protection (CP) and found that the CP read for #13236795 was -1.260 V and #13248740 was -1.201 V on the dates indicated on the table above. SCG missed one CP inspection cycle on these service lines. Therefore, SCG is in violation of G.O. 112¹, Reference Title 49 CFR, Part 192, Section 192.465(a).